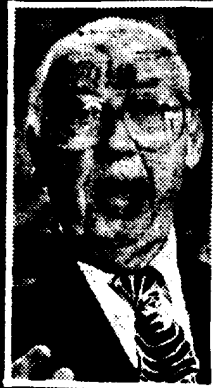


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# Casey nixed Shultz deal on Red spies



WILLIAM CASEY

WASHINGTON — CIA Director William Casey prevented Secretary of State George Shultz from signing a deal with the Soviet Union that would have permitted the two top Soviet intelligence operatives in New York to remain in the country in exchange for the freedom of American journalist Nicholas Daniloff, The Post has learned.

Casey secretly flew to New York last Sunday night and held intensive discussions with Shultz at the UN Plaza Hotel as he temporarily torpedoed a deal that would have allowed the Soviet agents to remain in their UN posts.

Senior administration officials disclosed yesterday that until Casey's intervention, Shultz, as part of the deal that freed Daniloff, had been prepared to agree to an "accommodation," on President Reagan's order that 25 members of the Soviet UN mission leave the U.S. by Oct. 1.

Sources said that the accommodation under discussion involved allowing the Soviets to substitute two diplomats on the U.S. expulsion list

By NILES LATHEM  
Bureau Chief



with other employees of the UN mission.

The two diplomats Soviet Foreign Minister Eduard Shevardnadze had been seeking to keep in New York were identified as Valeriy Savchenko, who holds the post of counselor at the UN mission, and Vladislav Skvortysov, who is listed as senior counselor to the mission.

The diplomats, however, are on a "watch list," of the FBI counter-intelligence bureau.

Savchenko has been identified as the KGB station chief at the UN and Skvortysov is the top GRU (Soviet military intelligence) official in New York, sources said.

"These were the two people Casey wanted out the most. They were the top guns," said a U.S. official familiar with the negotiations.

The CIA had no official comment on Casey's involvement last night.

But sources said that Casey won only a temporary victory.

Shultz and Shevardnadze, eager to quickly settle the Daniloff case to move on to a superpower summit, agreed to a two-week "grace period," on the future of the remaining 11 Soviet diplomats who were on the administration's original expulsion list.

Further discussions will be held on the presidential order during Reagan's Oct. 11-12 meetings with Soviet Leader Mikhail Gorbachev in Iceland.

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